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MINISTRY OF COMMERCE AND CONSUMER INDUSTRIES

NOTIFICATION

New Delhi, the 23rd February 1957

S.R.O. 592.—Whereas in the opinion of the Central Government it is expedient so to do,

Now, therefore, in exercise of powers conferred by sub-section (1) of section 12 of the Forward Contracts (Regulation) Act, 1952 (74 of 1952) the Central Government hereby makes the following further amendments in the Bye-laws of the East India Cotton Association Ltd., Bombay, the same having been previously published as required by sub-section (4) of the said section, namely:—

In the said Bye-laws:—

I. In sub-clause (b) of clause (2) of bye-laws 31 and 32, the words and figures "and having a 13/16" stamp" shall be omitted.

II. In Bye-law 52B, for sub-clause (b) of clause (v), the following shall be substituted, namely:—

"(b) in Bye-law 55A for the figure "6½" wherever it occurs the figure "25" shall be substituted; and for the figure "9 3/8" wherever it occurs the figure "37½" shall be substituted."

III. For Bye-law 53, the following shall be substituted, namely:—

"53(1) For the purpose of hedging, there shall be two Hedge Contracts styled

(I) Fine Jarilla Contract and (II) Fine Vijay Contract.

(2) The basis of Fine Jarilla Contract shall be Fine M.G. Madhya Pradesh Jarilla staple 25/32" as per standard to be prepared from a Jarilla growth including 197/3 cotton grown in the State of Madhya Pradesh, as it existed before the 1st November, 1956, tenderable up to:—

(i) two classes 'on and one class off' or up to 'Rejection Box' for grade;

(ii) 1/32" 'on' for Moglai Jarilla and 2/32" 'on' for other descriptions and 1/32" 'off' for staple except in the case of M.G. Moglai Jarilla, M.G. Dholleras, and M.G. Rajasthan American, which with basic staple 3/4" shall have no 'off' value for 1/32" staple;

values 'on' and 'off' for grade and 'on' and 'off' for staple.

(3) The basis of Fine Vijay Contract shall be Fine M.G. Vijay staple 27/32" as per standard to be prepared from Vijay cotton grown in the State of Bombay, tenderable up to:—

(i) two classes 'on' and one class 'off' or up to 'Rejection Box' for grade; and
(ii) 2/32" 'on' and 1/32" 'off' for staple, values 'on' and 'off' for grade and 'on' and 'off' for staple.

(4) The descriptions of cotton and their respective basic staple lengths tenderable under (I) Fine Jarilla Contract and (II) Fine Vijay Contract shall be as specified in column (2) of the Hedge Schedule. The maximum staple length tenderable shall be as specified in column (3) of the Hedge Schedule appended to these bye-laws.

(5) The following standard samples for class shall be prepared for each of the descriptions specified in column (2) of the Hedge Schedule appended to these bye-laws:—

Extra Superfine, Superfine, Fine (Basis), Fully Good and Good to Fully Good (i.e. half a class 'off' Fully Good) and 'Rejection Box'.

(6) Cotton below the standard Fully Good or 'Rejection Box' shall be rejected.

(7) The class difference in value between 'Fine' and 'Rejection Box' standard shall be fixed by the Board from time to time.

(8) The following standards for staple shall be prepared:—
23/32", 3/4", 25/32", 26/32", 27/32", 7/8", 29/32", 15/16" and 31/32".

(9) Months of Delivery:—

(I) Fine Jarilla Contract—March, May and July.

(II) Fine Vijay Contract—April, June and August.

(10) Delivery Period:—

1st to 25th of the month."

IV. In Bye-law 54 in sub-clause (5) of clause (a) for the word and letter "Jarilla (B)" the words "Moglai Jarilla, Dholleras and Rajasthan American" shall be substituted.

V. In Bye-law 55:—

(a) in clause (b):—

(i) for the words, figures and letters "up to 25/32" for M.G. Jarilla (B)" the words, figures and letters "up to 25/32" for M.G. Moglai Jarilla" shall be substituted;

(ii) for the words, figures and letters "up to 27/32" for Basic Jarilla (A)" the words, figures and letters "up to 27/32" for Basic M.G. Madhya Pradesh Jarilla, M.G. Khandesh Virnar (197/3) and M.G. Madhya Bharat Jarilla" shall be substituted.

(b) in para (c) for the word and letter "Jarilla (B)" the words "Moglai Jarilla" shall be substituted.

VI. In Bye-law 55A:—

(a) in clause (a) for the figure and words, "6½ per cent" the figures and words "9 3/8 per cent in respect of Madhya Bharat Jarilla, Khandesh Jarilla and Moglai Jarilla, and 6½ per cent in respect of other descriptions tenderable against the Hedge Contracts" shall be substituted;

(b) in clauses (b) and (c) after the figures and words "6½ per cent" the figures and words "or 9 3/8 per cent, as the case may be" shall be inserted.

VII. In Bye-law 61:—

(a) in clause (1) after the words "class and a half off" the words "or an allowance exceeding the allowance fixed by the Board for 'Rejection Standard'" shall be inserted;

(b) in clauses (3) and (4) for the word and letter "Jarilla (B)" the words "Moglai Jarilla, Dholleras and Rajasthan American" shall be substituted;

(c) in clause (5):—

(i) after the words "more than a class and a half off" the words "or an allowance exceeding the allowance fixed by the Board for 'Rejection Standard' " shall be inserted;

(ii) the following shall be added at the end, namely:—

"or the allowance fixed by the Board for 'Rejection Standard', as the case may be".

VIII. In by-law 128 for clause (2) the following shall be substituted, namely:—

"(2) The surveyors shall also prepare or cause to be prepared and passed in like manner, standards for staple 25/32" in length of M.G. Madhya Pradesh Jarilla Cotton and for staples of 23/32", 3/4", 13/16", 27/32", 7/8", 29/32", 15/16" and 31/32" in length and report the same to the Board. Standard for a staples up to and including 27/32" shall as far as possible be prepared from a Jarilla growth including 197/3" and for staples above 27/32" if suitable Jarilla growth cotton is not available then such standards shall be prepared from any suitable variety."

IX. After clause (4) of by-law 148B-I, the following shall be inserted, namely:—

"(4A) Where the Forward Markets Commission considers it expedient so to do, it may call for periodical information relating to hedge or transferable specific delivery contracts or both entered into by members in such form and in such manner as may be specified.

In particular, and without prejudice to the generality of the foregoing power, such information may relate to:

- (i) contracts entered into by a member with another member on his own account,
- (ii) contracts entered into by a member on behalf of each of his clients,
- (iii) business of non-members appropriated by the member to himself."

X. After by-law 163A, the following by law shall be inserted, namely:—

"163B. *Certain by-laws apply to certain Hedge contracts.*—For purposes of Hedge Contracts for Jarilla and Vijay March and April 1957 deliveries respectively, the provisions of the bye-laws noted hereunder and Hedge Scheduled as they stood immediately before the 23rd February, 1957 shall be applicable, namely:—

By-laws 52B, 53, 54, 55, 55A, 61 and 128, and for purposes of such contracts for Jarilla and Vijay May and June 1957 deliveries and thereafter the said provisions and Hedge Schedule as amended on the aforesaid date shall be applicable".

XI. In the Hedge Schedule appended to the bye-laws, for the first two entries the following shall be substituted, namely.—

Descriptions	Tenderable up to	Place where cotton is pressed or grown
(1)	(2)	(3)
M.G. former Madhya Pradesh Jarilla 25/32" staple tenderable varieties being Jarilla, Virnar (197/3), Verum, M.P. Combodia, Gaorani (Bani), H-420 and Jarilla cotton grown in Andhra State.	27/32"	All places in the former Madhya Pradesh State and including Adilabad of former Hyderabad State.
M.G. Khandesh Jarilla 25/32" staple tenderable varieties being Virnar (197/3) and Jarilla cotton grown in the Bombay and Mysore States.	27/32"	All places in Nasik, East and West Khandesh Districts (excluding Akalkuwa and Nawapur Talukas), Sholapur and Poona Districts, Hingoli of the Bombay State and Bijapur District of the Mysore State.

(1)	(2)	(3)
M.G. former Madhya Bharat Jarilla 25/32" staple, tenderable varieties being Jarilla, Cambodia, Upland, Malvi, Bhoj-Cotton grown in former Madhya Bharat & Bhopal States	27/32"	All places in former Madhya Bharat and Bhopal States.
M.G. Moglai Jarilla 24/32" staple (without tolerance)	25/32"	All places in the former Hyderabad State but excluding Adilabad and Hingoli and including Ahmednagar, Shevgaon, Belapur, Vambhori, and Shrirampur of the Bombay State."

XII. In Forms C and D for the words "Indian Cotton Contract" wherever they occur the words "Hedge Contract No." shall be substituted.

[No. F. 45-Exp (18)/56.]

K. V. VENKATACHALAM, Jt. Secy.